



## Letter of Credit (2002) EPA Allowance Auctions

Date \_\_\_\_\_

U. S. Environmental Protection Agency  
Acid Rain Program  
c/o Chicago Board of Trade  
Attn: EPA Auctions  
141 W. Jackson Blvd., Suite 2240  
Chicago, IL 60604

Re: \_\_\_\_\_ (our "Client").

By order of our Client, we hereby open in favor of the U.S. Environmental Protection Agency (EPA) our irrevocable standby  
Letter of Credit Number \_\_\_\_\_, for an amount not to exceed in the aggregate

\_\_\_\_\_, U.S. dollars  
(\$\_\_\_\_\_). This letter of credit is effective beginning at Noon EST on March 29, 2002, upon notice either by facsimile  
or telephone from a representative of the Chicago Board of Trade that our client was a winning bidder in the EPA auctions (to be held on March 25,  
2002) and has failed to submit full payment for allowances won by our client within two business days of receiving notice of the auction results (to  
be given on March 26, 2002). This letter of Credit expires at our office at \_\_\_\_\_

upon close of business on April 8, 2002.

Funds hereunder are available to the U.S. EPA by wire payment upon presentation by a representative of the Chicago Board of Trade of a demand  
on us of a signed statement (with blanks filled in) stating:

*This drawing of U.S. \$\_\_\_\_\_ is due the U.S. EPA under your Letter of  
Credit No. \_\_\_\_\_ dated \_\_\_\_\_.*

Upon receipt of your demand by hand, mail, or express mail, at our office at the above address on or before our close of business on the expiration  
date specified above, we will honor the demand and make payment by funds transfer no later than our close of business on the following business  
day through the Federal Reserve Communications system to the U.S. Treasury (RTN No. 021030004), Transaction Type 10, EPA Account:  
TREAS NYC/(68011233)EPA. The third party or addendum information shall state our client's name and make reference to the EPA Allowance  
Auctions. The funds transfer shall be formatted in accordance with prescribed U.S. Treasury requirements. This Letter of Credit is subject to the  
Uniform Custom and Practice for Documentary Credits (1993 revision), International Chamber of Commerce Publication No. 500.

Address all communications regarding this Letter of Credit to the following individual, making specific reference to the Letter of Credit number  
indicated above:

Name \_\_\_\_\_

Phone # \_\_\_\_\_ Fax # \_\_\_\_\_

Very truly yours,

Issuing Bank: \_\_\_\_\_

Authorized Signature: \_\_\_\_\_

(Typed Name and Title)



# Acid Rain Program

## Instructions for Letter of Credit Form (2002)

### EPA Allowance Auctions (40 CFR 73.70-73.71)

*This Letter of Credit form may only be signed ("issued") by a bank that maintains an account with any Federal Reserve Bank or Branch ("Fed") and is a participant in the Fed's FEDWIRE funds transfer system. The issuing bank may not alter or add to this form in any way, but may photocopy the form onto its own stationery if so desired. By signing this EPA Letter of Credit form, the issuing bank guarantees that EPA will receive full payment for allowances awarded at the allowance auctions in the event that the bank's client is a winning bidder and fails to pay for the allowances in the required time.*

*A winning bidder that has submitted this EPA Letter of Credit form must submit payment by funds transfer or certified check no later than two business days after receiving notice of the auction results. Make certified checks payable to "U.S. EPA" and send to the Chicago Board of Trade (CBOT) at the address listed in the submission instructions below. Send funds transfers to the U.S. Treasury, RTN No. 021030004, transaction type 10, for credit to EPA's account: TREAS NYC/(68011233) EPA. Be sure to include your company name and make reference to the EPA Allowance Auctions on the funds transfer. Please complete EPA Form 2570-6 "Funds Transfer Deposit" to take with you to your financial institution.*

Type or complete the form in blank ink.

If you need assistance, call the Acid Rain Hotline at (202) 564-9620.

**Paragraph 1** The Client Name should be the name of the bidder. After the word "aggregate," spell out the dollar amount of the letter of credit; in the next blank, enter the dollar amount in numerals. Enter the complete address of the issuing bank.

**Paragraph 2** Do not fill in the blanks of the drawing statement. It is provided as an example.

**Paragraph 4** Enter the name, phone number and facsimile number of the person who should receive all communications regarding the Letter of Credit, including demand for payment.

#### Submission Instructions

Send the completed Letter of Credit form along with the Bid form to the following address, **faxed copies will not be accepted:**

CHICAGO BOARD OF TRADE  
ATTN: EPA AUCTIONS  
141 W.JACKSON BLVD., SUITE 2240  
CHICAGO, IL 60604

#### Paperwork Burden Estimate

The burden on the public for collecting and reporting of information under this request is estimated at 5 hours per response. Send comments regarding this collection of information, including suggestions for reducing the burden, to: Director, OPPE, Regulatory Information Division (2136), U.S. Environmental Protection Agency, 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. **Do not send this form to this address; see the submission instructions above.**